Department of Finance

News Release

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Canada's New Government Encourages Parents to Take Advantage of the Children's Fitness Tax Credit

Whitby – During a skate with a group of peewee hockey players, the Honourable Jim Flaherty, Minister of Finance, encouraged parents to take advantage of the Children's Fitness Tax Credit. The tax credit, available on up to $500 per child in registration and membership fees, came into effect on January 1, 2007.

"I urge parents across Canada to avail themselves of this fitness tax credit by getting their kids involved in an organized activity," said Minister Flaherty. "This measure will help parents offset some of the costs and start children down the road to a lifetime of healthy, active living."

"The Children's Fitness Tax Credit will help make it possible for more young Canadians to be involved in sport and physical activity while giving families and taxpayers a break," said the Honourable Helena Guergis, Secretary of State (Foreign Affairs and International Trade) (Sport). "I am pleased that we are delivering on this important commitment and that children involved in a broad range of activities will benefit."

Minister Flaherty accepted the definition of eligible programs as recommended last October by the Expert Panel for the Children's Fitness Tax Credit.

The credit will apply to an ongoing, supervised program, suitable for children under the age of 16, in which substantially all of the activities undertaken include a significant amount of physical activity that contribute to cardio-respiratory endurance, plus one or more of:

- muscular strength,
- muscular endurance,
- flexibility, and
- balance.

The Minister indicated that substantial additional support would be provided to children eligible for the disability tax credit to recognize the unique barriers they face in becoming more active. For these children, the fitness tax credit would apply to those under the age of 18, and a separate $500 amount will be available for them where a minimum of $100 is spent on registration fees for an eligible program.

"Studies show that regular physical activity has many positive effects on children, including balanced growth and development and improved physical fitness," said Minister Flaherty. "Through this tax credit, we are helping children get into the habit of regular physical activity. It is our hope that this tax credit will improve childhood fitness and eventually the health and well-being of our entire population."

A wide variety of supervised children's programs will be eligible for the tax credit including hockey, soccer, karate, football, basketball, folk dancing, swimming, hiking, horseback riding and many sailing activities.

Parents can apply for the credit when filling out their 2007 tax return. A receipt is required to claim the credit.

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